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ERS-20 (1975)

THE BILL FOR MARKETING FARM-FOOD PRODUCTS

REPRINTED FROM THE MARKETING AND TRANSPORTATION SITUATION • AUGUST *1975*

ECONOMIC RESEARCH SERVICE U.S. DEPARTMENT OF AGRICULTURE

THE BILL FOR MARKETING FARM-FOOD PRODUCTS

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ABSTRACT: The marketing bill—an estimate of all costs and profits incurred in transporting, processing, and distributing farm-food products—totaled $92.0 billion in 1974, up 12 percent over 1973. This was double the average increase of the past 10 years. Among major cost components, labor accounted for half of the bill; packaging materials, 12 percent; and transportation, 7 percent. Corporate firms derived $5.3 billion in before-tax profits from marketing farm foods in 1974, almost 6 percent of the bill. Marketing costs and profits of processors were $30.6 billion, a third of the total marketing bill. Costs and profits of other agencies included $26.7 billion for retailing, $20.8 billion for eating places, and $13.9 billion for wholesalers. Consumer expenditures for farm food products rose 12 percent to $147.5 billion in 1974. Farmers received $55.5 billion for farm-foods products, 11 percent more than in 1973.

KEYWORDS: Marketing costs, food costs, farm value, food expenditures.

The marketing bill is an estimate of the total cost of transporting, processing, and distributing U.S. farm originated foods purchased by civilian consumers. It is the difference between consumer expenditures and farm value (fig. 2). The marketing bill statistics show the distribution of consumer expenditures between the marketing system and farmers and the distribution of marketing costs among commodity groups, marketing agencies, and individual cost components.

This article presents data on consumer expenditures, farm value, and the marketing bill for U.S. farm foods in 1974. Analysis is offered by commodity group, factors affecting the rise in the bill, and cost components.

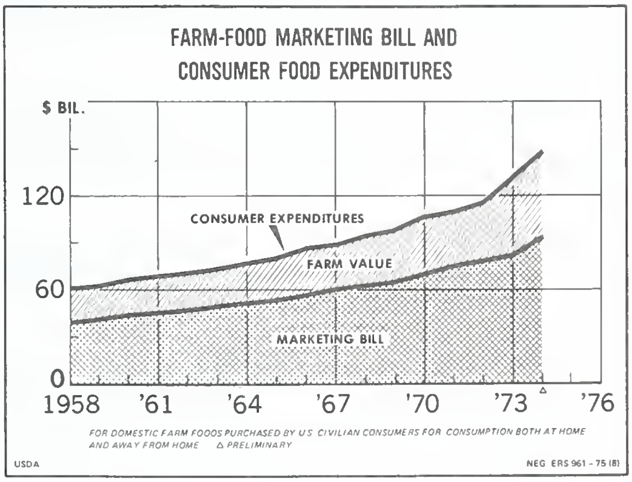


Figure 2

Consumer Expenditures

Consumer expenditures represent the market value of farm foods originating on U.S. farms purchased by and for civilian consumers in this country. In 1974, civilian consumers spent $147.5 billion on U.S. farm foods, 12 percent more than in 1973. This increase reflects an increase of $5.5 billion (11%) in the farm value and $10.1 billion (12%) in the marketing bill (table 7). Included in the total were expenditures for food in retail stores, cost of food purchased in restaurants and other away-from-home eating establishments, and the value of food served by schools, hospitals, and other institutions whose primary purpose is other than serving food.

Table 7 .--Marketing bill, farm value, and consumer expenditures by commodity group, for domestic farm-food products bought by civilians, 1929, 1939, 1947-74

Year 1/	All farm foods			Meat products			Dairy products			Poultry and eggs		
	Expenditures	Farm value	Marketing bill	Expenditures	Farm value	Marketing bill	Expenditures	Farm value	Marketing bill	Expenditures	Farm value	Marketing bill
						Million dollars						
1929 ......:	17,960	7,497	10,463	4,441	2,285	2,156	3,781	1,807	1,974	1,911	1,221	690
1935 ......:	13,815	5,193	8,622	3,044	1,450	1,594	2,864	1,307	1,557	1,383	814	569
1939 ......:	15,294	5,363	9,930	3,731	1,789	1,942	3,059	1,347	1,712	1,343	759	584
1947 ......:	41,937	19,294	22,643	12,805	7,464	5,341	7,952	3,869	4,083	3,972	2,721	1,251
1948 ......:	44,805	19,869	24,936	13,452	7,679	5,773	8,814	4,226	4,588	4,403	3,041	1,362
1949 ......:	43,371	17,386	25,985	12,591	6,680	5,911	8,048	3,613	4,435	4,251	2,799	1,452
1950 ......:	43,992	18,032	25,960	13,352	7,373	5,979	8,157	3,656	4,501	4,064	2,579	1,485
1951 ......:	49,252	20,512	28,740	14,489	8,083	6,406	9,335	4,174	5,161	5,001	3,258	1,743
1952 ......:	50,932	20,413	30,519	14,783	7,711	7,072	9,911	4,429	5,482	4,797	3,036	1,761
1953 ......:	51,013	19,460	31,553	14,570	7,197	7,373	9,710	4,061	5,649	4,956	3,202	1,754
1954 ......:	51,140	18,824	32,316	14,662	7,223	7,439	9,763	3,886	5,877	4,454	2,651	1,803
1955 ......:	53,127	18,749	34,378	14,799	6,647	8,152	10,301	4,077	6,224	4,580	2,825	1,755
1956 ......:	55,548	19,246	36,302	15,139	6,633	8,506	10,831	4,321	6,510	4,710	2,775	1,935
1957 ......:	58,293	20,405	37,888	16,375	7,546	8,829	11,202	4,435	6,767	4,686	2,710	1,976
1958 ......:	60,993	21,445	39,548	17,468	8,535	8,933	11,450	4,463	6,987	5,072	2,908	2,164
1959 ......:	63,619	21,216	42,403	18,093	8,135	9,958	11,843	4,580	7,263	4,841	2,580	2,261
1960 ......:	66,881	22,315	44,566	18,588	8,386	10,202	12,098	4,704	7,394	5,189	2,899	2,290
1961 ......:	68,673	23,000	45,674	18,941	8,651	10,290	12,233	4,765	7,468	5,334	2,749	2,585
1962 ......:	71,318	23,662	47,656	19,703	9,195	10,508	12,427	4,766	7,662	5,463	2,793	2,670
1963 ......:	74,044	24,149	49,895	20,439	9,029	11,410	12,598	4,860	7,738	5,722	2,896	2,826
1964 ......:	77,503	24,872	52,631	21,418	8,972	12,446	12,938	5,011	7,927	5,872	2,908	2,964
1965 ......:	81,114	27,113	54,001	22,405	10,347	12,058	13,049	5,062	7,987	6,224	3,083	3,141
1966 ......:	86,923	29,767	57,156	25,096	11,608	13,488	13,606	5,575	8,031	7,242	3,636	3,606
1967 ......:	89,229	28,819	60,410	25,785	11,381	14,404	13,698	5,622	8,076	6,838	3,085	3,753
1968 ......:	93,982	30,412	63,570	27,432	11,987	15,445	14,882	5,941	8,941	7,374	3,337	4,037
1969 ......:	98,851	33,668	65,183	28,914	13,631	15,283	15,460	6,283	9,177	8,483	4,078	4,405
1970 ......:	105,922	34,774	71,148	32,294	14,104	18,190	16,102	6,779	9,323	8,710	3,924	4,786
1971 ......:	110,686	35,318	75,368	33,264	14,279	18,985	16,687	6,770	9,917	8,362	3,616	4,746
1972 ......:	116,600	38,703	77,897	37,756	17,053	20,703	17,651	7,271	10,380	7,580	3,111	4,469
1973 ......:	131,954	49,989	81,965	42,228	21,017	21,211	18,900	8,102	10,798	10,290	5,231	5,059
1974 2/....:	147,567	55,530	92,037	42,876	19,618	23,258	21,085	9,195	11,890	8,645	4,297	4,348

1/ Beginning with 1960, estimates are for 50 States.
2/ Preliminary.
3/ Farm value of bakery products includes farm values of flour, milk, eggs, fruit, lard, vegetable shortening, and sugar used in bakery products. Farm values of these ingredients are not included in farm values of other product groups.

Table 7 .--Marketing bill, farm value, and consumer expenditures by commodity group, for domestic farm-food products bought by civilians, 1929, 1939, 1947-74 cont'd.

Year 1/	Fruits and vegetables			Grain mill products			Bakery products 3/			Other foods		
	Expenditures	Farm value	Marketing bill	Expenditures	Farm value	Marketing bill	Expenditures	Farm value	Marketing bill	Expenditures	Farm value	Marketing bill
						Millions						
1929	3,533	1,244	2,289	963	366	597	2,100	308	1,792	1,231	266	965
1935	2,819	840	1,979	829	285	544	1,794	242	1,552	1,082	255	827
1939	3,369	860	2,509	697	201	496	1,812	209	1,603	1,283	199	1,084
1947	7,598	2,646	4,952	1,855	841	1,014	4,070	876	3,194	3,685	877	2,808
1948	7,689	2,454	5,235	1,951	765	1,186	4,582	848	3,734	3,914	856	3,058
1949	8,025	2,335	5,690	1,866	622	1,244	4,798	728	4,070	3,792	609	3,183
1950	7,908	2,278	5,630	1,871	637	1,234	4,816	761	4,055	3,824	748	3,076
1951	9,089	2,649	6,440	2,002	666	1,336	5,256	859	4,397	4,080	823	3,257
1952	10,090	3,008	7,082	2,031	637	1,394	5,343	811	4,532	3,977	781	3,196
1953	10,073	2,737	7,336	2,023	590	1,433	5,430	834	4,596	4,251	839	3,412
1954	10,278	2,743	7,535	2,045	546	1,499	5,380	860	4,520	4,558	915	3,643
1955	11,118	2,844	8,274	2,138	561	1,577	5,480	819	4,661	4,711	976	3,735
1956	11,869	3,064	8,805	2,254	583	1,671	5,565	829	4,736	5,180	1,041	4,139
1957	12,409	3,211	9,198	2,435	615	1,820	6,113	837	5,276	5,073	1,051	4,022
1958	12,950	3,085	9,865	2,642	612	2,030	6,149	797	5,352	5,262	1,045	4,217
1959	13,693	3,366	10,327	2,567	566	2,001	6,614	815	5,799	5,968	1,173	4,795
1960	14,673	3,497	11,176	2,565	555	2,010	6,828	883	5,945	6,940	1,391	5,549
1961	15,014	3,589	11,425	2,548	543	2,005	7,026	997	6,029	7,576	1,704	5,872
1962	15,785	3,596	12,189	2,555	564	1,991	7,357	1,072	6,285	8,027	1,675	6,352
1963	16,154	3,687	12,467	2,575	540	2,035	7,703	1,155	6,548	8,853	1,982	6,871
1964	17,084	4,179	12,905	2,780	568	2,212	7,980	1,182	6,798	9,431	2,052	7,379
1965	17,782	4,520	13,262	3,045	619	2,426	8,193	1,256	6,937	10,416	2,226	8,190
1966	18,585	4,469	14,116	3,031	637	2,394	8,299	1,364	6,935	11,064	2,478	8,586
1967	19,288	4,492	14,796	3,259	636	2,623	8,855	1,314	7,541	11,506	2,289	9,217
1968	19,834	4,925	14,909	3,277	608	2,669	9,092	1,286	7,806	12,091	2,328	9,763
1969	20,633	5,160	15,473	3,275	608	2,667	9,257	1,317	7,940	12,828	2,591	10,237
1970	21,770	5,033	16,737	3,242	552	2,690	9,635	1,383	8,252	14,171	2,999	11,172
1971	22,952	5,209	17,743	3,239	562	2,677	11,210	1,572	9,638	14,972	3,310	11,662
1972	22,785	5,483	17,302	3,330	608	2,722	11,628	1,728	9,900	15,870	3,449	12,421
1973	27,961	7,248	20,713	4,095	917	3,178	12,707	2,663	10,044	15,773	4,811	10,962
1974	31,562	8,506	23,056	5,189	1,258	3,931	15,568	3,636	11,932	22,642	9,020	13,622

Expenditures for meat products, which represented about 30 percent of total food consumption expenditures, were up only 1½ percent over 1973. Retail prices were generally lower, with the average price for all beef declining 17 percent from 1973's record high. This was a reflection of expanded supply and erosion in the farm price of beef. The quantity of pork purchased rose to the level of 1972 from the 1973 low and, although farm prices consequently dropped, increases in marketing costs resulted in high retail prices and an increase in consumer expenditures for pork (table 8).

Dairy product expenditures rose 11½ percent in 1974. Higher prices accounted for almost all the increase as volume rose only 1½ percent.

Consumer expenditures for poultry products decreased sharply from the 1973 high. The 16 percent decline was due almost entirely to price reductions as volume fell by only 4 percent. The lower poultry prices were partly a reflection of larger red meat supplies at lower prices.

Fruit and vegetable expenditures rose by about 13 percent in 1974 due mostly to higher prices. The quantity of fruits and vegetables available for purchase increased by less than 1 percent.

Grain mill product expenditures increased 26 percent in 1974, faster than the previous year's record 24 percent increase. All of the increase came in higher prices as the volume marketed was down slightly. Bakery product expenditures rose 22 percent, the largest annual increase ever. Almost all of the increase resulted from higher prices; volume was up only slightly. Retail prices of these products rose considerably, reflecting sharply higher farm values following last year's crop shortages and continung strong world demand for grain in 1974.

The fastest increase in last year's rapid rise in consumer expenditures was in the other foods category, which includes sugar and fats and oils products. A 10 percent increase in retail volume coupled with sharply higher farm prices pushed consumer expenditures for these foods up 44 percent.

Expenditures for U.S. farm foods (excludes seafoods and imported foods) accounted for 15.1 percent of personal disposable income in 1974 (table 9, fig. 3). This is the first marked increase in the portion of income spent on food since World War II. The upturn is reflected in both the farm value and the marketing bill. This increase follows a steady 27-year decline from 24.7 percent in 1947. The low point was reached in 1972 with 14.5 percent of disposable income being spent for farm foods.

Farm Value

U.S. farmers received $55.5 billion for farm food products in 1974, 11 percent more than the previous year. In 1973, farm value rose a record one-third. The largest increase in 1974 was in the other foods category, which includes sugar and fats and oils. A $4.2 billion increase in the farm value of this food group accounted for three-fourths the total increase for all farm foods.

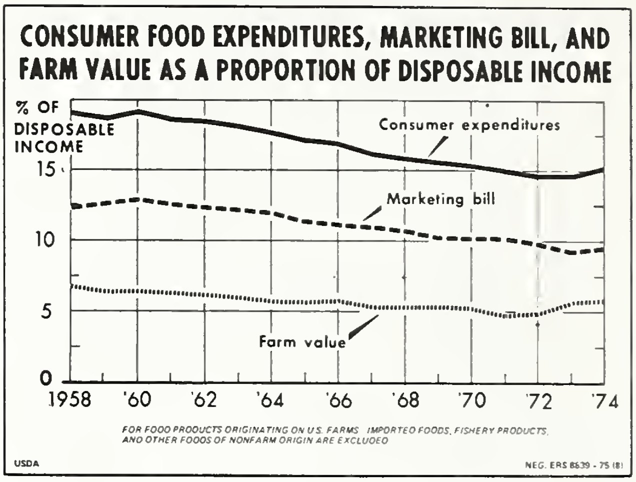


Figure 3

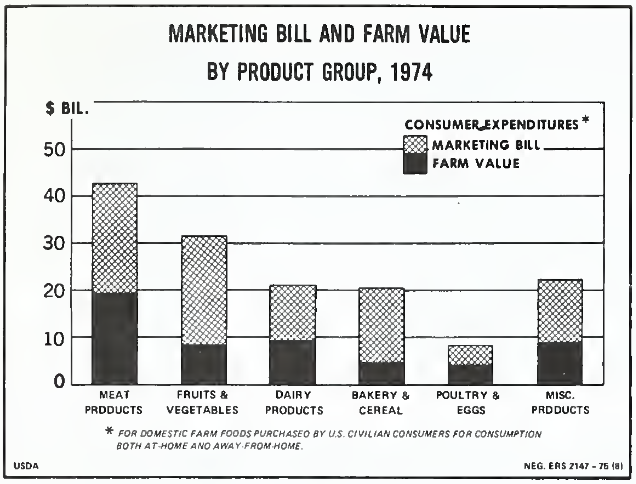
Two of the groups that showed large increases in 1973—meat and poultry and eggs—posted declines in farm value in 1974. In the case of meat, the increased volume was more than offset by lower prices, while in poultry and eggs the decline in farm value was due to both lower prices and sharp decrease in volume.

For other products, increases in farm value ranged from 13 percent for dairy products to 37 percent for grain mill products (table 7). Most of the changes in farm value were attributable to price changes. An overall farm-price weighted volume index of farm foods marketed increased by 1.2 percent in 1974. Meat product volume was up the most, 9.6 percent; poultry and eggs decreased the most, 15 percent. Other groups were basically unchanged.

Farm values in the last 2 years have shown great and continuing increases in grain mill, bakery, and miscellaneous products, all of which have more than doubled. Much of this is attributed to price rises that resulted from short supplies.

Marketing Bill

The marketing bill for farm food products—the difference between consumer expenditures and farm value—rose to $92 billion in 1974, up 12 percent from 1973 and the largest increase recorded. Much of the rise is attributable to the unleashing of inflationary pressures built up during the period of price controls which were relaxed in late 1973. The marketing bill increased for all seven food groups (fig. 4). The greatest increase was in the other foods category, 24 percent, which accounted for about one-third the total increase in the marketing bill. Grain mill products and bakery products continued to post sharp increases of 24 and 19 percent, respectively. The marketing bill for meat and dairy products both

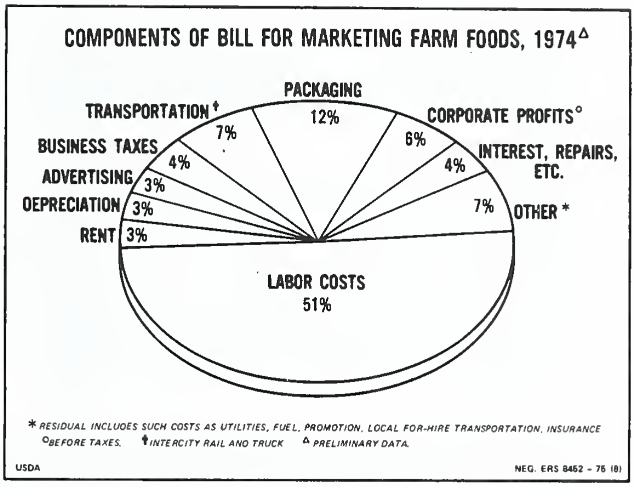


MARKETING BILL AND FARM VALUE BY PRODUCT GROUP, 1974

* FOR DOMESTIC FARM FOODS PURCHASED BY U.S. CIVILIAN CONSUMERS FOR CONSUMPTION BOTH AT-HOME AND AWAY-FROM-HOME.

USDA NEG. ERS 2147 - 75 (8)

Figure 4



COMPONENTS OF BILL FOR MARKETING FARM FOODS, 1974△

* RESIDUAL INCLUDES SUCH COSTS AS UTILITIES, FUEL, PROMOTION, LOCAL FOR-HIRE TRANSPORTATION, INSURANCE
° BEFORE TAXES. ✝ INTERCITY RAIL AND TRUCK △ PRELIMINARY DATA.

USDA NEG. ERS 8452 - 75 (8)

Figure 5

increased by 10 percent, fruits and vegetables by 11 percent, and poultry and eggs by 14 percent.

Factors Behind Marketing Bill Increase: Increases in the marketing bill over the years have been due to growth in volume of food marketed, increases in marketing services, and the cost of performing these services. Changes in the volume of food are the result of growth in population and shifts in the mix of per capita consumption. Increased marketing services involve the use of more highly prepared foods, such as convenience foods, and more eating out. Increased costs of marketing services reflect rising costs of inputs such as labor and packaging materials.

Higher costs of marketing services constituted 95 percent of the total increase in the 1974 marketing bill. The remaining increase in the bill was accounted for by a slightly larger volume of food marketed. These two factors were partially offset by a decrease in the level of services—including a reduction in the consumption of highly processed foods and less eating out during the recessionary period.

Cost Components of the Marketing Bill

Labor: Labor costs for marketing domestic farm food products increased to $46.7 billion in 1974, about half the total marketing bill (table 10, fig. 5). The 15 percent rise over the year before represents a rate twice that of the past decade. Labor employed in food retailing and away-from-home eating now accounts for almost six-tenths of the total labor bill for marketing farm foods. Processors' labor costs accounted for 28 percent of the total with wholesaling the remaining 14 percent. Labor costs include wages and salaries of employees, wage supplements, and tips received by food service employees.

The increase in labor costs in 1974 came from a large increase in hourly labor costs and a slight increase in total manhours worked by employees of food marketing firms. Hourly labor costs increased 12.2 percent from 1973 to 1974, two-thirds faster than the annual increase of the previous 5 years.

Unit labor costs rose 12.5 percent in 1974, reflecting the large rise in hourly labor costs coupled with only a small increase in retail volume (table 11). Distribution agencies—wholesalers, retailers, public eating places—posted a 30 percent increase in per unit labor costs in the past 2 years while processors' costs increased 11 percent. Processing for the past 25 years has enjoyed a more limited rise in unit cost than the distribution sectors. This is a result of the greater mechanization potential of processing and the historically higher wages paid processing workers, which encouraged the substitution of capital for labor. Since 1947, unit costs have climbed 212 percent in the distribution sector versus 111 percent for processing. About half the growth in unit labor costs in food processing and distribution has occurred since 1967.

Employment in food marketing has continued to go up gradually during the past few years as a result of an overall increase in the volume of food handled by the marketing system and increases in services per unit. The farm food marketing system employed 6.2 million workers (full-time equivalent basis) in 1974, up slightly from 1973. Since 1967, the total number of full-time equivalent employees in food marketing has advanced by 22 percent while the civilian population increased only 7.4 percent during the same period. The leading cause for more full-time employees is the enlarged away-from-home eating market (36 percent more employees), but the number of employees also increased for food stores (16.4 percent), wholesaling (22.4 percent), and processing (10.4 percent) since 1967.

While the number of employees has grown in food marketing, little change occurred in the manhours per unit of product (as measured by the retail volume index) used to assemble, process, and distribute farm foods since 1967 (fig. 6). However, significant

Table 8.--Marketing bill, farm value, and consumer expenditures for domestic farm-food products bought by civilians, 1958-74.

Year 1/	All farm food			Beef			Pork			Other red meats		
	Expendi-tures	Farm value	Marketing bill	Expendi-tures	Farm value	Marketing bill	Expendi-tures	Farm value	Marketing bill	Expendi-tures	Farm value	Marketing bill
	Million dollars											
1958	60,993	21,445	39,548	8,998.8	4,771.3	4,227.6	7,101.3	3,041.8	4,059.5	1,367.9	722.0	645.9
1959	63,619	21,216	42,403	9,419.8	4,936.0	4,483.8	7,380.4	2,547.5	4,832.9	1,292.9	651.5	641.3
1960	66,881	22,315	44,566	10,015.6	5,044.2	5,011.4	7,181.5	2,732.3	4,449.2	1,390.9	649.5	741.4
1961	68,673	23,000	45,674	10,233.5	5,098.2	5,135.4	7,367.2	2,924.4	4,442.8	1,340.3	628.4	711.7
1962	71,318	23,662	47,656	10,530.5	5,511.2	5,019.2	7,784.2	3,015.2	4,769.2	1,388.1	668.6	719.6
1963	74,044	24,149	49,895	11,235.6	5,539.6	5,696.0	7,904.4	2,880.5	5,023.9	1,299.1	608.9	690.1
1964	77,503	24,872	52,631	12,152.9	5,544.3	6,608.6	7,911.2	2,841.5	5,069.8	1,353.9	586.2	767.6
1965	81,114	27,113	54,001	13,035.4	6,217.5	6,817.9	8,020.4	3,517.2	4,503.3	1,350.2	612.3	737.8
1966	86,923	29,767	57,156	14,539.0	7,127.6	7,411.5	9,182.4	3,848.1	5,334.2	1,374.6	632.3	742.3
1967	89,229	28,819	60,410	14,983.2	7,276.4	7,706.8	9,493.4	3,526.5	5,966.9	1,308.4	578.1	730.3
1968	93,982	30,412	63,570	16,137.6	7,838.6	8,299.0	9,966.0	3,573.6	6,392.4	1,328.4	584.8	753.6
1969	98,851	33,668	65,183	17,324.2	8,944.4	8,382.8	10,291.4	4,103.1	6,188.3	1,298.4	586.5	711.9
1970	105,922	34,774	71,148	19,045.2	9,333.4	9,711.8	11,901.1	4,207.3	7,693.8	1,347.7	563.3	784.4
1971	110,686	35,318	75,368	19,998.4	10,145.0	9,853.4	11,870.6	3,568.0	8,302.6	1,395.0	566.0	829.0
1972	116,600	38,703	77,897	24,000.0	11,841.0	12,159.0	12,346.9	4,629.0	7,717.9	1,409.1	583.0	826.1
1973	131,954	49,989	81,965	26,738.3	14,151.0	12,587.3	14,076.4	6,299.0	7,777.4	1,413.3	567.0	846.3
1974 2/	147,567	55,530	92,037	26,054.7	12,928.0	13,126.7	15,334.0	6,154.0	9,180.0	1,487.3	536.0	951.3

Year 1/	Fluid milk and cream			Other dairy products			Poultry			Eggs		
	Expendi-tures	Farm value	Marketing bill	Expendi-tures	Farm value	Marketing bill	Expendi-tures	Farm value	Marketing bill	Expendi-tures	Farm value	Marketing bill
1958	6,743.5	2,701.9	4,041.6	4,706.5	1,761.1	2,945.4	2,594.8	1,391.0	1,203.9	2,477.1	1,517.0	960.1
1959	6,900.5	2,731.6	4,168.9	4,942.5	1,848.4	3,094.1	2,554.8	1,330.3	1,224.6	2,286.1	1,249.7	1,036.4
1960	7,109.8	2,819.7	4,290.1	4,988.2	1,884.3	3,103.9	2,711.2	1,433.9	1,277.3	2,477.8	1,465.1	1,012.7
1961	7,036.3	2,809.3	4,226.9	5,196.7	1,955.7	3,241.1	2,794.0	1,305.1	1,488.9	2,540.0	1,443.9	1,096.1
1962	7,085.0	2,809.7	4,275.3	5,342.0	1,956.3	3,385.7	2,968.4	1,456.2	1,512.1	2,494.6	1,336.8	1,157.9
1963	7,185.0	2,863.3	4,321.7	5,413.0	1,996.7	3,416.3	3,127.9	1,492.9	1,635.0	2,594.0	1,403.1	1,191.0
1964	7,381.5	2,956.3	4,425.1	5,556.5	2,054.7	3,501.9	3,216.2	1,497.7	1,718.5	2,655.9	1,410.4	1,245.5
1965	7,417.5	2,987.7	4,429.7	5,631.5	2,074.3	3,557.3	3,600.4	1,694.1	1,906.4	2,623.6	1,388.9	1,234.7
1966	7,815.9	3,276.1	4,539.8	5,790.1	2,298.9	3,491.2	4,189.4	1,855.7	2,333.7	3,052.6	1,780.3	1,272.3
1967	7,945.0	3,391.9	4,553.1	5,753.0	2,230.1	3,522.9	4,159.6	1,737.8	2,421.8	2,678.4	1,347.2	1,331.2
1968	8,416.7	3,522.9	4,893.8	6,465.3	2,418.1	4,047.2	4,397.7	1,832.8	2,564.9	2,976.3	1,504.2	1,472.1
1969	8,453.2	3,602.1	4,851.1	7,006.8	2,680.9	4,325.9	4,983.5	2,107.7	2,878.8	3,499.5	1,970.3	1,529.2
1970	8,602.1	3,801.0	4,801.1	7,499.9	2,978.0	4,521.9	5,267.7	2,081.8	3,185.9	3,442.3	1,842.2	1,600.1
1971	8,860.8	3,785.9	5,074.9	7,826.2	2,984.1	4,842.1	5,251.0	2,094.2	3,156.8	3,111.0	1,521.8	1,589.2
1972	9,080.6	3,799.2	5,281.4	8,570.4	3,471.8	5,098.6	4,725.1	1,677.9	3,047.2	2,854.9	1,433.1	1,421.8
1973	9,514.8	4,130.4	5,384.4	9,385.2	3,971.6	5,413.6	6,671.1	3,173.8	3,497.3	3,618.9	2,057.2	1,561.7
1974 2/	10,906.8	4,794.0	6,112.8	10,178.2	4,401.0	5,777.2	5,547.0	2,510.3	3,036.7	3,098.0	1,786.7	1,311.3

Continued

Table 8.--Marketing bill, farm value, and consumer expenditures for domestic farm-food products bought by civilians, 1958-74--Continued.

Year 1/	Fresh fruits and melons			Fresh vegetables			Processed fruits			Processed vegetables		
	Expenditures	Farm value	Marketing bill	Expenditures	Farm value	Marketing bill	Expenditures	Farm value	Marketing bill	Expenditures	Farm value	Marketing bill
	Million dollars											
1958	2,571.4	795.1	1,776.3	4,336.2	1,259.6	3,076.6	2,050.5	485.0	1,565.5	3,991.9	545.3	3,446.6
1959	2,612.9	878.7	1,734.2	4,498.9	1,322.9	3,176.0	2,221.6	549.5	1,672.1	4,359.6	614.9	3,744.7
1960	2,754.2	899.8	1,854.5	4,723.9	1,426.7	3,297.2	2,577.4	564.6	2,012.8	4,617.4	605.9	4,011.5
1961	2,774.5	900.9	1,873.6	4,641.4	1,390.3	3,251.1	2,716.9	674.5	2,042.4	4,881.2	623.3	4,257.9
1962	2,804.8	869.1	1,935.8	4,992.0	1,424.5	3,567.5	2,712.2	612.8	2,099.4	5,275.9	689.7	4,586.3
1963	2,782.9	894.5	1,888.3	5,180.6	1,456.2	3,724.4	2,726.6	605.7	2,120.9	5,464.0	730.5	4,733.4
1964	2,949.2	970.1	1,979.1	5,459.9	1,662.9	3,797.0	2,829.2	751.2	2,077.9	5,845.7	794.8	5,051.0
1965	2,931.3	956.8	1,974.5	5,781.3	1,765.9	4,015.4	2,751.3	665.0	2,086.2	6,318.0	1,132.2	5,185.8
1966	3,140.9	1,000.8	2,140.0	5,871.8	1,804.6	4,067.2	2,865.9	666.4	2,199.5	6,706.4	997.1	5,709.3
1967	3,191.6	1,059.9	2,131.7	5,889.3	1,725.5	4,163.8	3,067.2	702.0	2,365.2	7,139.9	1,004.6	6,135.3
1968	3,374.9	1,179.1	2,195.8	6,163.9	1,815.8	4,348.1	3,018.3	840.1	2,178.2	7,276.9	1,090.0	6,186.9
1969	3,454.2	1,039.8	2,414.4	6,326.0	1,928.9	4,397.2	3,231.7	866.5	2,365.2	7,621.1	1,324.8	6,296.2
1970	3,793.8	1,181.6	2,612.2	6,815.1	1,862.3	4,952.8	3,382.7	813.7	2,569.0	7,778.4	1,175.4	6,603.0
1971	4,159.0	1,152.8	3,006.2	6,894.2	2,021.8	4,872.4	3,736.1	771.1	2,965.0	8,162.7	1,263.3	6,899.4
1972	3,883.9	1,214.3	2,669.6	7,224.9	2,193.2	5,031.7	3,371.3	844.4	2,526.9	8,304.9	1,231.1	7,073.8
1973	4,810.5	1,639.9	3,170.6	9,354.5	2,821.6	6,532.9	4,069.7	970.7	3,099.1	9,726.1	1,815.8	7,910.4
1974 2/...	5,561.2	1,859.9	3,701.3	9,771.6	2,775.5	6,996.1	4,459.8	1,141.6	3,318.2	11,769.4	2,729.0	9,040.4

Year 1/	Grain mill products			Bakery products			Fats and oils			Other foods		
	Expenditures	Farm value	Marketing bill	Expenditures	Farm value	Marketing bill	Expenditures	Farm value	Marketing bill	Expenditures	Farm value	Marketing bill
	Million dollars											
1958	2,642.0	610.7	2,031.3	6,149.0	797.0	5,352.0	1,384.7	384.7	1,000.0	3,877.3	658.6	3,218.7
1959	2,567.0	564.7	2,002.3	6,614.0	815.0	5,799.0	1,616.8	420.3	1,196.4	4,351.2	752.7	3,598.5
1960	2,565.0	555.0	2,010.0	6,828.0	883.0	5,945.0	1,655.3	480.4	1,174.9	5,284.8	910.7	4,374.1
1961	2,548.0	541.8	2,006.2	7,026.0	997.0	6,029.0	1,781.5	656.6	1,124.9	5,794.6	1,047.4	4,747.1
1962	2,555.0	564.0	1,991.0	7,357.0	1,072.0	6,285.0	1,924.9	570.5	1,354.6	6,102.0	1,104.6	4,997.4
1963	2,575.0	540.0	2,035.0	7,703.0	1,155.0	6,548.0	2,118.8	628.8	1,489.9	6,734.2	1,353.1	5,381.1
1964	2,780.0	568.0	2,212.0	7,980.0	1,182.0	6,798.0	2,264.4	678.8	1,585.6	7,166.7	1,373.3	5,793.4
1965	3,045.0	617,8	2,427.2	8,193.0	1,256.0	6,937.0	2,608.7	824.8	1,783.8	7,807.4	1,401.2	6,406.2
1966	3,031.0	635.9	2,395.1	8,299.0	1,364.0	6,935.0	2,938.8	982.9	1,956.0	8,125.2	1,495.1	6,630.0
1967	3,259.0	636.0	2,623.0	8,855.0	1,314.0	7,541.0	2,923.3	788.3	2,135.0	8,582.7	1,500.7	7,082.0
1968	3,277.0	608.0	2,669.0	9,092.0	1,286.0	7,806.0	2,998.7	747.2	2,251.5	9,092.3	1,580.8	7,511.5
1969	3,275.0	608.0	2,667.0	9,257.0	1,317.0	7,940.0	3,272.4	893.7	2,378.7	9,555.6	1,697.3	7,858.3
1970	3,242.0	552.0	2,690.0	9,635.0	1,383.0	8,252.0	3,813.9	1,206.3	2,607.6	10,259.1	1,792.7	8,564.4
1971	3,239.0	562.0	2,677.0	11,210.0	1,572.0	9,638.0	4,220.9	1,337.1	2,883.8	10,751.1	1,972.9	8,778.2
1972	3,330.0	608.0	2,722.0	11,628.0	1,728.0	9,900.0	4,522.2	1,271.5	3,250.7	11,347.8	2,177.5	9,170.3
1973	4,095.0	917.0	3,178.0	12,707.0	2,663.0	10,044.0	5,395.6	2,040.7	3,344.9	10,387.4	2,770.3	7,617.1
1974 2/...	5,189.0	1,258.0	3,931.0	15,568.0	3,616.0	11,932.0	8,262.0	3,762.0	4,500.7	14,379.3	5,258.0	9,121.3

1/ Beginning with 1960, estimates are for 50 States.
2/ Preliminary.

Table 9.--Consumer expenditures, marketing bill, and farm value for domestic farm-food products as a proportion of disposable income, 1929, 1935, 1939, 1947-74

Year	Disposable personal income	Value of U. S. farm foods			U.S. farm foods share of disposable income		
		Consumer expenditures	Marketing bill	Farm value	Consumer expenditures	Marketing bill	Farm value
	Billion dollars				Percent		
1929	83.3	18.0	10.5	7.5	21.6	12.6	9.0
1935	58.5	13.8	8.6	5.2	23.6	14.7	8.9
1939	70.3	15.3	9.9	5.4	21.8	14.1	7.7
1947	169.8	41.9	22.6	19.3	24.7	13.3	11.4
1948	189.1	44.8	24.9	19.9	23.7	13.2	10.5
1949	188.6	43.4	26.0	17.4	23.0	13.8	9.2
1950	206.9	44.0	26.0	18.0	21.3	12.6	8.7
1951	226.6	49.2	28.7	20.5	21.7	12.7	9.0
1952	238.3	50.9	30.5	20.4	21.4	12.8	8.6
1953	252.6	51.0	31.5	19.5	20.2	12.5	7.7
1954	257.4	51.1	32.3	18.8	19.9	12.6	7.3
1955	275.3	53.1	34.4	18.7	19.3	12.5	6.8
1956	293.2	55.5	36.3	19.2	18.9	12.4	6.5
1957	308.5	58.3	37.9	20.4	18.9	12.3	6.6
1958	318.8	61.0	39.6	21.4	19.1	12.4	6.7
1959	337.3	63.6	42.4	21.2	18.9	12.6	6.3
1960	350.0	66.9	44.6	22.3	19.1	12.7	6.4
1961	364.4	68.7	45.7	23.0	18.8	12.5	6.3
1962	385.3	71.3	47.6	23.7	18.5	12.4	6.1
1963	404.6	74.0	49.9	24.1	18.3	12.3	6.0
1964	438.1	77.5	52.6	24.9	17.7	12.0	5.7
1965	473.2	81.1	54.0	27.1	17.1	11.4	5.7
1966	511.9	86.9	57.1	29.8	17.0	11.2	5.8
1967	546.3	89.2	60.4	28.8	16.3	11.0	5.3
1968	591.0	94.0	63.6	30.4	15.9	10.8	5.1
1969	634.4	98.8	65.2	33.7	15.6	10.3	5.3
1970	691.7	105.9	71.1	34.8	15.3	10.3	5.0
1971	746.4	110.7	75.4	35.3	14.8	10.1	4.7
1972	802.5	116.6	77.9	38.7	14.5	9.7	4.8
1973	903.7	132.0	82.0	50.0	14.6	9.1	5.5
1974	979.7	147.6	92.0	55.6	15.1	9.4	5.7

Table 10.--Cost components of the marketing bill for farm foods, 1947-74.

Year	Labor 1/	Packaging materials	Rail and truck transportation 2/	Corporate profits:		Business taxes 3/	Depreciation	Rent (net)	Advertising	Repairs, bad debts, contributions	Interest (net)	Residual 5/	Total
				Before taxes	After taxes								
	Billion dollars												
1947	10.6	-	2.0	1.5	1.0	-	-	-	-	-	-	-	22.6
1948	11.8	-	2.2	1.3	.8	-	-	-	-	-	-	-	24.9
1949	12.3	-	2.3	1.3	.7	-	-	-	-	-	-	-	26.0
1950	12.9	-	2.7	1.6	.9	-	-	-	-	-	-	-	26.0
1951	13.7	-	2.7	1.3	.6	-	-	-	-	-	-	-	28.7
1952	14.5	-	3.1	1.4	.6	-	-	-	-	-	-	-	30.5
1953	15.4	-	3.3	1.5	.7	-	-	-	-	-	-	-	31.5
1954	16.1	-	3.4	1.5	.7	-	-	-	-	-	-	-	32.3
1955	16.5	-	3.4	1.8	.9	-	-	-	-	-	-	-	34.4
1956	17.2	-	3.8	1.9	.9	-	-	-	-	-	-	-	36.3
1957	17.7	-	4.0	1.9	.9	-	-	-	-	-	-	-	37.9
1958	18.0	4.8	4.1	1.9	.9	-	-	-	-	-	-	-	39.6
1959	18.8	5.5	4.0	2.1	1.0	1.2	1.4	1.1	1.2	0.7	0.2	6.2	42.4
1960	19.7	5.4	4.1	2.1	.9	1.3	1.5	1.1	1.3	.7	.2	7.2	44.6
1961	19.9	5.8	4.2	2.3	1.1	1.4	1.6	1.2	1.4	.8	.3	6.8	45.7
1962	20.8	6.1	4.1	2.3	1.1	1.6	1.8	1.4	1.6	.8	.3	6.8	47.6
1963	21.3	5.9	4.2	2.4	1.2	1.7	1.8	1.4	1.7	.9	.3	8.3	49.9
1964	22.1	6.0	4.3	2.8	1.4	1.8	1.9	1.5	1.7	1.0	.3	9.2	52.6
1965	23.3	6.2	4.2	3.0	1.6	2.1	2.0	1.6	1.9	1.1	.4	8.2	54.0
1966	24.6	6.8	4.2	3.4	1.8	2.2	2.2	1.8	2.0	1.1	.4	8.4	57.1
1967	25.9	7.2	4.3	3.4	1.8	2.3	2.2	1.8	2.0	1.1	.6	9.6	60.4
1968	28.0	7.8	4.5	3.6	1.8	2.6	2.1	2.0	1.8	1.2	.8	9.2	63.6
1969	30.4	8.0	4.6	3.6	1.6	2.6	2.2	2.1	1.9	1.3	.9	7.6	65.2
1970	32.3	8.5	5.2	3.6	1.6	2.9	2.5	2.3	2.0	1.5	1.1	9.2	71.1
1971	34.5	9.0	6.0	3.9	2.0	3.1	2.6	2.4	2.1	1.6	1.2	9.0	75.4
1972	37.6	9.4	6.1	3.5	2.1	3.2	2.8	2.5	2.2	1.7	1.2	7.7	77.9
1973	40.4	9.9	6.1	4.6	2.6	3.3	2.9	2.7	2.3	1.7	1.3	6.8	82.0
1974 4/...	46.7	11.0	7.2	5.3	3.0	3.7	3.2	3.0	2.5	1.9	1.4	6.1	92.0

1/ Includes supplements to wages and salaries such as social security and unemployment insurance taxes and health insurance preminums. Also includes imputed earnings of proprietors, partners, and family workers not receiving stated remuneration.

2/ Includes charges for heating and refrigeration. Does not include local hauling charges.

3/ Includes property, social security, unemployment insurance, State income, and franchise taxes, license fees, and other fees, but does not include Federal income tax.

4/ Preliminary.

5/ Includes foodservice in schools, colleges, hospitals, and other institutions and utilities, fuel, promotion, local for-hire transportation, water transportation, and insurance.

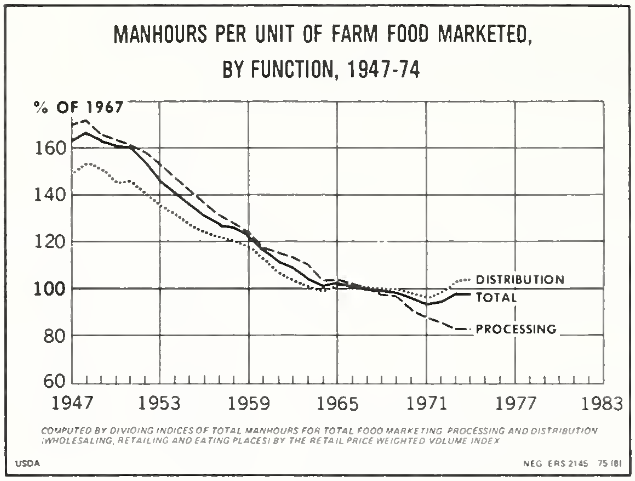


Figure 6

changes occurred among marketing functions. Because of automation, processing now takes 17 percent less labor per unit of farm foods marketed than in 1967. But more labor is now required for distribution. Wholesaling has shown a slight decrease of 3 percent but food stores and eating places have increased their use of labor. Food stores now use 3 percent more manhours per unit of product than in 1967, while eating places have increased their use of labor per unit by 8 percent.

Hourly labor cost for all food marketing employees has increased 65 percent since 1967 (table 11). This increase in hourly labor cost along with additional employees boosted total labor cost in food marketing by 80 percent since 1967. The growth in labor cost for processing has been less than for retailing and wholesaling because of a reduction in labor usage. Hourly labor cost in procesing was $5.53 in 1974, the highest of all food marketing agencies, providing an incentive to replace labor by mechanization. Wholesaling, which also has shown a slight decrease in labor usage, had average hourly labor cost of $4.82. Food store and eating places had hourly labor cost of $4.30 and $3.25, respectively, in 1974.

Packaging: The costs of food packaging materials in 1974 was estimated to be $11 billion, an increase of 10.7 percent over 1973 and more than double the increase the preceding year. Packaging material costs represented 12 percent of the marketing bill, the same share it has been for a number of years.

Wholesale prices of all packaging materials increased 26.8 percent during 1974, with virtually all of the jump coming after price controls were lifted in April. Price increases slowed in 1975, rising less than 3 percent during January, February, and March. April-July estimated wholesale prices showed a 0.5 percent decline.

With the value of packaging materials increasing less than wholesale prices, there apparently was a cutback in the quantity of material used last year. However, the quantity used probably declined much less than the price changes indicate, due to buying as much as a year in advance by food processors and the fact that price increases occurred the latter part of the year. Shipments of various containers and packaging materials to processors was mixed. As an example, shipments of narrow neck glass bottles for food increased 3.6 percent in 1974 over 1973, whereas nonreturnable narrow necks for beverages decreased 6.7 percent. Shipments of metal cans for vegetables and vegetable juices increased 7 percent during the same period, but metal cans for meat decreased 5.5 percent and metal cans for soft drinks also decreased by 0.9 percent. Shipments of the most important paper product, special food board, increased 1.6 percent.

During 1974, wholesale prices of plastic films jumped 45.6 percent, the largest increase of all classes of material. Also up were prices of metal containers, 33.5 percent; paper and paper board, 25.3 percent; glass containers, 16.2 percent; and wood boxes, 7.7 percent. Another item with one of the highest increases was paper milk cartons which increased 42.6 percent. Tin plate food cans also rose sharply (34 percent) while glass food jars were up 15.8 percent and corrugated shippers, 11.9 percent.

Rail and Truck Transportation: The estimated cost of shipping farm food products by truck and rail in 1974 was $7.2 billion, an increase of 18 percent over the level of $6.1 billion in 1972 and 1973. These estimates exclude costs for air, water, and intracity truck transportation for which no data are available. The dramatic increase in the costs of shipping farm food products was primarily a result of higher transportation rates, rather than the slight increase in quantities marketed.

The Interstate Commerce Commission (ICC) authorized a number of rail rate increases in 1974. These included a 3.3 percent fuel charge increase which became effective on January 31, 1974 and a rise of 2.8 percent to cover larger rail retirement taxes, effective in stages on January 1 and March 16, 1974. In addition, general freight rate increases of 4 percent, effective March 9, 1974, and 10 percent on June 20, 1974, were granted. The 10 percent increase was committed to deferred maintenance and other property improvements to provide better service for shippers.

The effects of the 1974 ICC authorizations for higher rail rates were compounded by earlier increases of 3 percent in August and 1.9 percent in October 1973, thus contributing to the 18 percent increase in rates in 1974 (table 12).

Trucking costs have increased as a result of fuel price increases and reduced speed limits. During the 1973/74 winter, fuel supplies were severely constrained. In February 1974, a special 6 percent fuel surcharge was granted. Limited data suggest that exempt truck rates also increased during that period. The Federal Highway Amendment of 1974 imposed a permanent 55 mile per hour speed limit while authorizing the States to increase weights allowed for trucks on the interstate highway system. The new limits, which could increase weights from 73,000 to 80,000 pounds, are not expected to immediately produce a uniform reduction in costs. Regulations on truck dimensions are sometimes as limiting as weight restrictions. But for some heavy agricultural commodities—particularly grains, soybeans, some fruits and vegetables, and boxed meats—the increased weight limits would permit larger loads and reduce costs for truckers.

Rail rate increases thus far in 1975 have not been as sharp as those in the first half of 1974. The 1975 authorizations include a rise of 7 percent for general freight, effective in April, and an increase of 5 percent, primarily for higher labor costs, effective June 20.

Advertising: Advertising for farm foods in 1974 amounted to $2.5 billion, up slightly from 1973. Less than 2 cents of the food dollar was spent on advertising and promotion in 1974. The increase in advertising slowed somewhat with the sluggish 1974 economy as new product introduction decreased and consumers shifted to more basic products. One promotional strategy employed by marketers was expanded use of coupons to offer selective price discounts in an increasingly price sensitive market. Food processors typically account for half of food advertising followed by food retailers. The distribution of advertising expenditures among media differ—processors spend more heavily in network TV and magazines, and retailers rely more on newspapers and local TV advertising.

Capital costs: Capital costs, which include depreciation, rent, and interest, totaled $7.6 billion in 1974, up 10 percent from last year. As a share of the total marketing bill, capital costs account for 8.2 percent of the total $92 billion. Interest rates on long-term Aaa bonds, an indicator of the costs of new long-term credit for plant expansion and building, rose from 7.44 percent in 1973 to 8.57 percent in 1974, reflecting inflationary pressures and administrative monetary decisions. Short-term interest rates reflective of the cost of financing inventory rose to 11.28 percent in 1974 from 8.3 percent a year earlier. This is the rate businessmen had to pay at 35 major retail centers. The E.H. Boechk Index of commercial and factory building costs increased 11 percent from 1973. Rising construction costs boosted depreciation charges and commercial rental rates for food marketing firms.

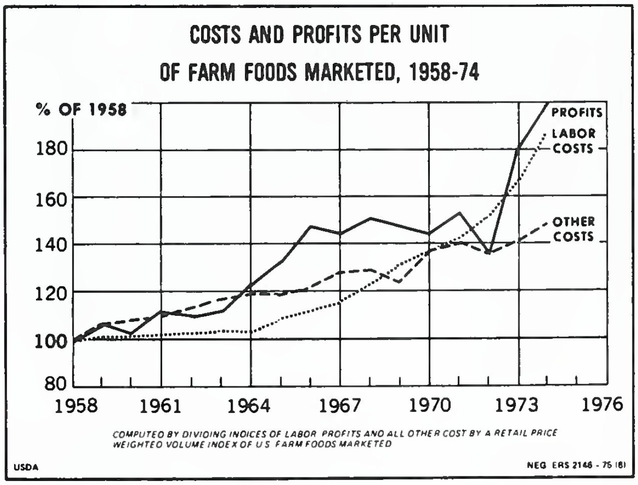
Corporate profits: Before-tax corporate profits in 1974 rose 15 percent to $5.3 billion. Dollar sales were greater and profit rates of corporations increased in current dollars. After-tax profits also rose to slightly more than half the before-tax value. While profits are a relatively small portion of the marketing bill, per unit profits since 1958 have increased on a percentage basis more than all the other components combined.

Business taxes: In 1974, business taxes rose to $3.7 billion, more than double 10 years ago. Social Security payments and rates rose again during 1974. There were also continued increases in local taxes, especially on real estate.

Trends in Per Unit Costs

Per unit comparisons of the components of the marketing bill take out the effect that the volume of food marketed has on total marketing costs and thus allow historical comparisons of unit charges or prices. Since 1958, the index of marketing costs per unit of farm food marketed has increased 69 percent. During the same period, the consumer price index rose 70 percent.

Labor costs, the largest component, increased 88 percent on a per unit basis since 1958, sloping steadily upward (fig. 7). Much of the rise in labor costs occurred in the distribution sector—wholesaling, retailing and public eating places. Per unit labor costs climbed 126 percent in 17 years. In processing, per unit labor costs rose only 46 percent in the same period.


COSTS AND PROFITS PER UNIT
OF FARM FOODS MARKETED, 1958-74

COMPUTED BY DIVIDING INDICES OF LABOR PROFITS AND ALL OTHER COST BY A RETAIL PRICE WEIGHTED VOLUME INDEX OF U.S. FARM FOODS MARKETED

Figure 7

Profits per unit have increased slightly more than labor costs. Overall per unit profits doubled since 1958 with half the increase occurring since 1972. Distributors' profits per unit rose slightly more than processors' profits. The trend in corporate profits may exaggerate the picture of increasing per unit profits as non-corporate earnings are not reflected in the estimates.

All other costs of foods marketing, including taxes, depreciation, rent, and energy, have risen 49 percent on a per unit basis since 1958, slower than the general inflation rate.

Table 11.--Indexes of labor cost for marketing farm-food products, 1947-74

Year	Total labor cost	Man-hours	Hourly labor cost 1/	Unit labor cost 2/	Retail price-weighted 3/ volume index	Farm price weighted 3/ volume index
				1967 = 100		
1947	41	106	39	63	65	68
1948	46	107	43	72	64	66
1949	48	106	45	74	65	68
1950	50	107	47	75	67	70
1951	53	107	50	79	67	69
1952	56	108	52	80	70	72
1953	60	107	56	82	73	75
1954	62	106	58	83	75	77
1955	64	106	60	82	78	81
1956	66	106	62	81	81	84
1957	68	104	65	84	81	83
1958	70	102	69	86	81	82
1959	73	103	71	87	84	84
1960	76	102	74	87	87	87
1961	77	98	78	87	88	88
1962	80	98	82	89	90	90
1963	82	96	85	89	92	92
1964	85	97	88	89	96	96
1965	90	99	91	94	96	97
1966	95	100	95	97	98	98
1967	100	100	100	100	100	100
1968	108	101	107	106	102	102
1969	117	103	114	113	104	103
1970	125	102	123	118	106	105
1971	133	103	129	122	109	108
1972	145	105	140	131	110	108
1973	156	106	147	144	108	104
1974 4/......	180	109	165	162	111	105

1/ Hourly labor cost is the quotient of the indexes of total labor cost and man-hours worked.

2/ Unit labor cost is the quotient of the indexes of total labor cost and the retail price-weighted volume index.

3/ The retail volume index of farm food products is constructed by weighting the quantities consumed on a retail weight basis by 1957-59 average retail prices. The retail volume index is used in assessing changes in consumer expenditures and labor costs. This index is more sensitive to changes in highly processed products than less processed products with a high farm value. Similarly, the farm price weighted index is constructed by weighting the quantities on a farm weight basis by 1957-59 average farm prices. The farm volume index is used in evaluating changes in farm value and farm marketings. The farm index is most sensitive to high farm value less processed products. 4/ Preliminary.

Table 12.--Railroad freight rate indexes for agricultural commodities, 1957-74 1/
(1967 = 100)

Year	Livestock	Meat	Fruits and vegetables	Wheat	All grains	Soybeans	Cotton	Wool	Tobacco	Combined index	
										Food products 2/	All products 3/
1957	104	143	112	119	116	110	102	158	119	119	116
1958	108	132	109	122	120	116	103	161	111	115	115
1959	106	121	102	120	116	115	102	127	100	109	110
1960	105	121	100	119	115	115	101	122	99	107	109
1961	104	121	101	119	114	109	101	122	100	108	109
1962	102	120	100	116	113	107	101	107	100	106	108
1963	100	117	99	114	111	101	101	104	100	103	106
1964	99	113	99	111	108	100	100	100	100	103	105
1965	99	104	99	99	101	99	100	100	100	100	100
1966	99	100	99	99	100	99	100	100	99	99	99
1967	100	100	100	100	100	100	100	100	100	100	100
1968	104	103	103	101	100	101	100	101	102	102	101
1969	108	107	108	102	100	103	103	106	108	105	103
1970	119	117	118	113	109	114	113	119	118	116	114
1971	135	132	134	125	121	126	126	134	132	129	127
1972	140	136	138	120	121	127	131	136	137	132	128
1973	146	138	140	124	122	130	134	140	142	137	131
1974	4/	162	162	147	146	158	155	165	166	161	154

1/ All indexes are of the weighted aggregative type and are based upon averages of rates in effect during the year. Annual averages are computed by weighting rates by the number of days they are in effect.

2/ In constructing the all farm food index, food product groups are weighted by average quantities marketed domestically in 1957-59.

3/ In constructing the all farm product index, farm product groups are weighted by average revenues for 1957-59.

4/ The livestock component was excluded because of the relatively negligible amount shipped by rail. Data for 1945-56 are published in the Marketing and Transportation Situation, MTS-47, November 1962.

At-Home Versus Away-From-Home Eating

The total marketing bill is divided into the at-home bill and the away-from-home bill. The at-home marketing bill is an estimate of charges for transporting, processing, and distributing U.S. farm foods purchased in food stores for use at home. The away-from-home marketing bill is an estimate of the costs and profits of transporting, processing, distributing, and preparing food for sale or use in public eating places and institutions. It includes costs and profits for food whether purchased for personal consumption, on business or travel, or as part of another service such as food served by airlines or hospitals.

Expenditures: Consumer expenditures for food at home were $106.3 billion in 1974, or 72 percent of total U.S. farm food expenditures. Expenditures for food consumed away from home were $41.2 billion, or 28 percent of total expenditures. Away-from-home expenditures declined slightly as a proportion of total food expenditures last year but were greater than the 25 percent in 1963 (table 13).

Away-from-home eating is composed of two major submarkets—public eating places and institutions. Public eating places include restaurants, cafeterias, snack bars, vending machine outlets, and other eating places primarily operated for profit. In 1974, they accounted for $32.3 billion of farm food expenditures, or about three-fourths of the away-from-home market. Expenditures in public eating places grew relatively faster than food store sales between 1965 and 1974, increasing the away-from-home share of expenditures for U.S. farm foods.

Until the last 4 years, institutional expenditures on farm foods grew more rapidly than expenditures in public eating places. Institutions—including schools, colleges, hospitals, rest and nursing homes, and airlines—served food valued at $8.9 billion in 1974, and accounting for about 6 percent of total farm food expenditures. Decreased school enrollment and a decline in hospital patients have slowed the growth in institutional feeding.

Marketing Bill: The marketing bill for at-home eating accounts for a smaller proportion of consumer food expenditures than that for away-from-home eating. The at-home marketing bill amounted to $60.8 billion in 1974—57 percent of consumer expenditures for food bought for use at home. In contrast, the away-from-home bill of $31.2 billion accounted for 76 percent of away-from-home consumer expenditures for food in 1974. This contrast reflects the added cost of preparing and serving food consumed away from home. In 1974, public eating places incurred marketing costs of $24 billion, while the bill for institutions was $7 billion.

Farm Value: The at-home market represented four-fifths of total U.S. farm value, while public eating places accounted for another 14.4 percent and institutions, the remainder. Thus, the food store market is a much more important channel for farm products than is indicated by the proportion spent in food stores versus away-from-home establishments.

Commodity Use: In 1974, meat products represented the largest share of away-from-home food expenditures, and the second largest share of at-home food expenditures (table 14). However, meat represented a much larger proportion of spending for food consumed away from home (39 percent) than food used at home (25 percent).

The importance of various food groups between the at-home and away-from-home markets differs primarily because of the relative importance of different meals. Breakfasts and dinners make up a larger proportion of meals served at home, while the away-from-home market serves a larger proportion of lunches. Fruits and vegetables, which are served more often with full meals than with sandwich-type lunches, account for about a fourth of expenditures of food consumed at home (the largest group) versus 11 percent of expenditures away from home.

There are differences in the commodity mix within the away-from-home market. Meat accounts for a larger share of food consumed in public eating places than in institutions. The opposite is true of fruits and vegetables, which are more important in institutions. Again, the difference in the proportion of meal types served is the prime reason for differences in composition of expenditures. Other food items, such as poultry, bakery, dairy, grain mill, and other food products, vary less between the two markets.

Marketing Bill for Marketing Agencies

Marketing agencies are classified by function—processing, wholesaling, and distributing food products. The marketing bill and the labor and profit components for marketing agencies are shown in table 15 for selected years between 1929-74.

Food processing accounted for the largest share of the total marketing bill for 1974, amounting to one-third the total (fig. 8). However, this is less than in 1973, and continues a decline in the importance of processing costs in relation to the other agencies. The dollar cost of processing does represent a 10 percent increase over 1973, one of the largest increases recorded.

Labor costs accounted for 42 percent of the processors' bill in 1974, the same percentage as for 1973. Likewise, profits before taxes remained at 10 percent of the total processing bill. This is a larger share than the profits of other agencies, due partly to the greater predominance of corporate ownership among processors than among wholesalers and retailers.

Food wholesaling charges amounted to $13.9 billion, or 15 percent of the total marketing bill—the smallest share but up from last year's 14 percent. Labor costs accounted for 43 percent of the

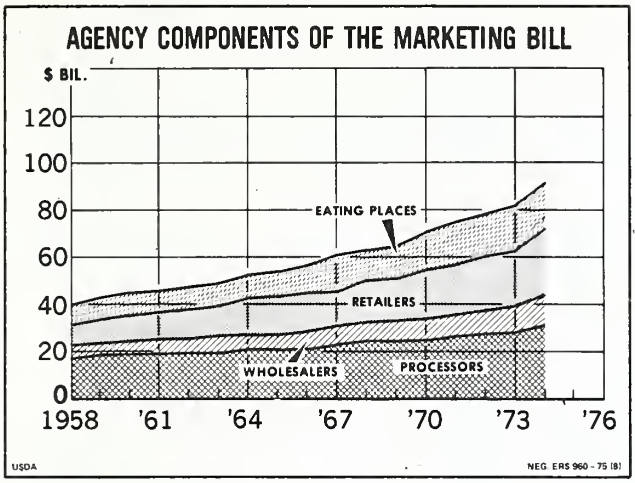


Figure 8

wholesaling bill in 1974. Profits before taxes for wholesalers rose to 8.5 percent, second only to the processor's profit rate.

Retail food stores had the second largest agency bill in 1974, amounting to $26.7 billion or 29 percent of the total marketing bill, unchanged from 1973. The labor component of retailing was $13.6 billion, more than half of the total cost of retailing. Profits amounted to $472 million or 1.8 percent of the total retailing bill.

Eating places and institutions accounted for 22.6 percent of the total marketing bill or $20.8 billion. This was a fractional decrease from 1973, reflecting less eating out last year. Labor costs accounted for 65 percent or $13.7 billion, of the public eating place and institutional bill. This was a continuation of the rise in labor costs of food service industries. Profits at $545 million accounted for 2.6 percent of the public eating place and institutional bill.

Table 12.--Consumer expenditures, marketing bill, and farm value, for U. S. farm foods, at-home and away-from-home, 1963-74.

Year	Total	At-home 2/	Away-from-home		
			Total	Public eating places 3/	Institutions 4/
	Billion dollars				
	Consumer expenditures				
1963	74.0	56.0	18.0	14.0	4.0
1964	77.5	58.5	19.0	14.8	4.2
1965	81.1	60.2	20.9	16.1	4.8
1966	86.9	64.0	22.9	17.8	5.1
1967	89.3	64.3	25.0	19.3	5.7
1968	94.0	67.4	25.6	20.5	6.1
1969	98.8	70.3	28.5	21.9	6.6
1970	105.9	74.5	31.4	23.8	7.6
1971	110.7	77.6	33.1	25.0	8.1
1972	116.6	81.6	35.0	26.9	8.1
1973	132.0	93.7	38.3	29.4	8.9
1974 1/...	147.5	106.3	41.2	32.3	8.9
	Marketing bill				
1963	49.9	35.9	14.0	10.9	3.1
1964	52.6	37.8	14.8	11.6	3.2
1965	54.0	38.1	15.9	12.3	3.6
1966	57.1	39.8	17.3	13.5	3.8
1967	60.8	40.9	19.9	15.3	4.6
1968	63.6	42.5	21.1	16.2	4.9
1969	65.2	42.2	23.0	17.6	5.4
1970	71.1	46.1	25.0	18.8	6.2
1971	75.4	48.7	26.7	19.9	6.8
1972	77.9	50.2	27.7	21.1	6.6
1973	82.0	53.0	29.0	22.0	7.0
1974 1/...	92.0	60.8	31.2	24.3	6.9
	Farm value				
1963	24.1	20.1	4.0	3.1	0.9
1964	29.9	20.7	4.2	3.2	1.0
1965	27.1	22.1	5.0	3.8	1.2
1966	29.8	24.2	5.6	4.3	1.3
1967	28.5	23.4	5.1	4.0	1.1
1968	30.4	24.9	5.5	4.3	1.2
1969	33.6	28.1	5.5	4.3	1.2
1970	34.8	28.4	6.4	5.0	1.4
1971	35.3	28.9	6.4	5.1	1.3
1972	38.7	31.4	7.3	5.8	1.5
1973	50.0	40.7	9.3	7.4	1.9
1974 1/...	55.5	45.5	10.0	8.0	2.0

1/ Preliminary. 2/ At-home is food consumed from the home food supply (primarily purchased from retail food stores). 3/ Includes restaurants, cafeterias, snack bars, and other eating establishments. 4/ Includes the value of food served in hospitals, schools, colleges, rest and nursing homes, and other institutions.

Table 14.--Consumer expenditures, marketing bill, and farm value for at-home and away-from-home consumption, by commodity group, 1963-74.

Year and market	Meat products	Poultry products	Dairy products	Fruits and vegetables	Grain mill products	Bakery products	Miscellaneous	Total
	Million dollars							
1963	Consumer expenditures							
Total	20,439	5,722	12,598	16,154	2,575	7,703	8,853	74,044
At-home	13,644	4,188	9,382	14,296	2,208	5,807	6,500	56,025
Away-from-home								
Total	6,795	1,534	3,216	1,858	367	1,896	2,353	18,019
Public eating places	5,742	1,303	2,210	1,177	260	1,466	1,853	14,011
Institutions	1,053	231	1,006	681	107	430	500	4,008
	Marketing bill							
Total	11,410	2,826	7,738	12,467	2,035	6,548	6,871	49,895
At-home	6,342	1,544	5,225	11,102	1,690	4,803	4,747	35,453
Away-from-home								
Total	5,068	1,282	2,513	1,365	345	1,745	2,124	14,442
Public eating places	4,305	1,100	1,724	846	245	1,343	1,665	11,228
Institutions	763	182	789	519	100	402	459	3,214
	Farm value							
Total	9,029	2,896	4,860	3,687	540	1,155	1,982	24,149
At-home	7,302	2,644	4,157	3,194	518	1,004	1,753	20,572
Away-from-home								
Total	1,727	252	703	493	22	151	229	3,577
Public eating places	1,437	203	486	331	15	123	188	2,783
Institutions	290	49	211	162	7	28	41	794
1964								
	Consumer expenditures							
Total	21,418	5,872	12,938	17,084	2,780	7,980	9,431	77,503
At-home	14,106	4,254	9,560	15,173	2,375	5,965	7,029	58,462
Away-from-home								
Total	7,312	1,618	3,378	1,911	405	2,015	2,402	19,041
Public eating places	6,184	1,373	2,319	1,222	286	1,557	1,898	14,839
Institutions	1,128	245	1,059	689	119	458	504	4,202
	Marketing bill							
Total	12,446	2,964	7,927	12,905	2,212	6,798	7,379	52,631
At-home	6,926	1,608	5,290	11,557	1,832	4,941	5,219	37,373
Away-from-home								
Total	5,520	1,356	2,637	1,348	380	1,857	2,160	15,258
Public eating places	4,692	1,162	1,805	832	269	1,429	1,698	11,887
Institutions	828	194	832	516	111	428	462	3,371
	Farm value							
Total	8,972	2,908	5,011	4,179	568	1,182	2,052	24,872
At-home	7,180	2,646	4,270	3,616	543	1,024	1,810	21,089
Away-from-home								
Total	1,792	262	741	563	25	158	242	3,783
Public eating places	1,492	211	514	390	17	128	200	2,952
Institutions	300	51	227	173	8	30	42	831

Table 14.--Consumer expenditures, marketing bill, and farm value for at-home and away-from-home consumption, by commodity group, 1963-74.

Year and market	Meat products	Poultry products	Dairy products	Fruits and vegetables	Grain mill products	Bakery products	Miscellaneous	Total
				Million dollars				
1965								
				Consumer expenditures				
Total	22,405	6,224	13,049	17,782	3,045	8,193	10,416	81,114
At-home	13,834	4,536	9,668	15,654	2,589	5,880	8,027	60,188
Away-from-home								
Total	8,571	1,688	3,381	2,128	456	2,313	2,389	20,926
Public eating places	7,192	1,425	2,287	1,321	317	1,762	1,853	16,157
Institutions	1,379	263	1,094	807	139	551	536	4,769
				Marketing bill				
Total	12,058	3,141	7,987	13,262	2,426	6,937	8,190	54,001
At-home	5,958	1,749	5,397	11,848	1,999	4,816	6,066	37,833
Away-from-home								
Total	6,100	1,392	2,590	1,414	427	2,121	2,124	16,168
Public eating places	5,133	1,185	1,738	819	297	1,606	1,634	12,412
Institutions	967	207	852	595	130	515	490	3,756
				Farm value				
Total	10,347	3,083	5,062	4,520	619	1,256	2,226	27,113
At-home	7,876	2,787	4,271	3,806	590	1,064	1,961	22,355
Away-from-home								
Total	2,471	296	791	714	29	192	265	4,758
Public eating places	2,059	240	549	502	20	156	219	3,745
Institutions	412	56	242	212	9	36	46	1,013
1966								
				Consumer expenditures				
Total	25,096	7,242	13,606	18,585	3,031	8,299	11,064	86,923
At-home	15,264	5,304	10,084	16,523	2,531	5,908	8,454	64,068
Away-from-home								
Total	9,832	1,938	3,522	2,062	500	2,391	2,610	22,855
Public eating places	8,270	1,644	2,399	1,246	350	1,833	2,014	17,756
Institutions	1,562	294	1,123	816	150	558	596	5,099
				Marketing bill				
Total	13,488	3,606	8,031	14,116	2,394	6,935	8,586	57,156
At-home	6,496	2,022	5,418	12,716	1,929	4,761	6,287	39,629
Away-from-home								
Total	6,992	1,584	2,613	1,400	465	2,174	2,299	17,527
Public eating places	5,910	1,358	1,765	796	326	1,657	1,759	13,571
Institutions	1,082	226	848	604	139	517	540	3,956
				Farm value				
Total	11,608	3,636	5,575	4,469	637	1,364	2,478	29,767
At-home	8,768	3,282	4,666	3,807	602	1,147	2,167	24,439
Away-from-home								
Total	2,840	354	909	662	35	217	311	5,328
Public eating places	2,360	286	634	450	24	176	255	4,185
Institutions	480	68	275	212	11	41	56	1,143

Table 14.--Consumer expenditures, marketing bill, and farm value for at-home and away-from-home consumption, by commodity group, 196 -74.

Year and market	Meat products	Poultry products	Dairy products	Fruits and vegetables	Grain mill products	Bakery products	Miscellaneous	Total
	Million dollars 2/							
	Consumer expenditures							
1967								
Total	25,785	6,838	13,698	19,288	3,259	8,855	11,506	89,229
At-home	16,146	4,898	10,149	15,389	2,776	6,185	8,725	64,268
Away-from-home 1/								
Total	9,639	1,940	3,549	3,899	483	2,670	2,781	24,961
Public eating places	8,490	1,721	2,717	1,492	416	2,119	2,374	19,329
Institutions	1,149	219	832	2,407	67	551	407	5,632
	Marketing bill							
Total	14,404	3,753	8,076	14,796	2,623	7,541	9,217	60,410
At-home	7,463	2,207	5,443	11,807	2,174	5,080	6,689	40,863
Away-from-home 1/								
Total	6,941	1,546	2,633	2,989	449	2,461	2,528	19,547
Public eating places	6,260	1,468	2,065	1,059	391	1,941	2,117	15,301
Institutions	681	78	568	1,930	57	520	626	4,246
	Farm value							
Total	11,381	3,085	5,622	4,492	636	1,314	2,289	28,819
At-home	8,683	2,691	4,706	3,582	602	1,105	2,036	23,405
Away-from-home 1/								
Total	2,698	394	916	910	34	209	253	5,414
Public eating places	2,230	253	652	434	25	178	197	4,028
Institutions	468	141	264	476	9	31	56	1,386
1968								
	Consumer expenditures							
Total	27,432	7,374	14,882	19,834	3,277	9,092	11,091	93,982
At-home	16,627	5,230	10,630	17,118	2,660	6,249	8,910	67,424
Away-from-home 1/								
Total	10,805	2,144	4,252	2,716	617	2,843	3,181	26,558
Public eating places	9,062	1,816	2,876	1,655	428	2,165	2,464	20,466
Institutions	1,742	328	1,376	1,061	189	679	716	6,091
	Marketing bill							
Total	15,445	4,037	8,941	14,909	2,669	7,806	9,763	63,570
At-home	7,492	2,227	5,683	12,957	2,087	5,172	6,902	42,520
Away-from-home 1/								
Total	7,953	1,810	3,258	1,952	582	2,634	2,861	21,050
Public eating places	6,683	1,545	2,183	1,142	404	1,995	2,201	16,153
Institutions	1,270	265	1,074	810	178	639	658	4,895
	Farm value							
Total	11,987	3,337	5,941	4,925	608	1,286	2,328	30,412
At-home	9,135	3,003	4,947	4,161	573	1,077	2,008	24,904
Away-from-home 1/								
Total	2,852	334	994	764	35	209	320	5,508
Public eating places	2,380	272	693	513	24	170	263	4,313
Institutions	472	62	301	251	11	39	57	1,196

Table 14.--Consumer expenditures, marketing bill, and farm value for at-home and away-from-home consumption, by commodity group, 1963-74. Continued

Year and market	Meat products	Poultry products	Dairy products	Fruits and vegetables	Grain mill products	Bakery products	Miscellaneous	Total
	Million dollars 3/							
1969								
	Consumer expenditures							
Total	28,914	8,483	15,460	20,633	3,275	9,257	12,828	98,851
At-home	18,097	5,887	10,810	17,527	2,600	6,119	9,311	70,352
Away-from-home								
Total	10,817	2,596	4,650	3,106	675	3,138	3,517	28,499
Public eating places	9,192	2,189	3,128	1,866	466	2,381	2,691	21,913
Institutions	1,625	407	1,522	1,240	209	757	826	6,585
	Marketing bill							
Total	15,283	4,405	9,177	15,473	2,667	7,940	10,237	65,183
At-home	7,160	2,201	5,553	13,196	2,027	5,014	7,055	42,207
Away-from-home								
Total	8,123	2,204	3,624	2,277	640	2,926	3,182	22,976
Public eating places	6,913	1,872	2,411	1,308	442	2,209	2,416	17,572
Institutions	1,210	332	1,213	969	198	717	766	5,404
	Farm value							
Total	13,631	4,078	6,283	5,160	608	1,317	2,591	33,668
At-home	10,937	3,686	5,257	4,331	573	1,105	2,256	28,145
Away-from-home								
Total	2,694	392	1,026	829	35	212	335	5,523
Public eating places	2,280	317	716	558	24	172	275	4,342
Institutions	414	75	310	271	11	40	60	1,181
1970								
	Consumer expenditures							
Total	32,294	8,710	16,102	21,770	3,242	9,635	14,171	105,922
At-home	18,855	6,131	11,456	18,651	2,583	6,448	10,412	74,534
Away-from-home								
Total	13,439	2,579	4,646	3,119	659	3,187	3,759	31,388
Public eating places	11,128	2,150	3,066	1,829	445	2,376	2,822	23,816
Institutions	2,311	428	1,580	1,290	214	811	936	7,572
	Marketing bill							
Total	18,190	4,786	9,323	16,737	2,690	8,252	11,172	71,148
At-home	8,143	2,595	5,759	14,432	2,067	5,296	7,820	46,110
Away-from-home								
Total	10,047	2,191	3,564	2,305	623	2,956	3,352	25,038
Public eating places	8,296	1,837	2,308	1,277	420	2,188	2,488	18,814
Institutions	1,751	354	1,256	1,028	202	767	864	6,224
	Farm value							
Total	14,104	3,924	6,779	5,033	552	1,383	2,999	34,774
At-home	10,712	3,536	5,697	4,219	516	1,152	2,592	28,424
Away-from-home								
Total	3,392	388	1,082	814	36	231	407	6,350
Public eating places	2,832	313	758	552	25	187	334	5,002
Institutions	560	75	324	262	11	43	72	1,348

Table 14.--Consumer expenditures, marketing bill, and farm value for at-home and away-from-home consumption, by commodity group, 1963-74. Continued

Year and market	Meat products	Poultry products	Dairy products	Fruits and vegetables	Grain mill products	Bakery products	Miscellaneous	Total
	Million dollars							
1971								
	Consumer expenditures							
Total	33,264	8,362	16,687	22,952	3,239	11,210	14,972	110,686
At-home	19,106	5,810	11,791	19,639	2,562	7,835	10,808	77,551
Away-from-home								
Total	14,158	2,552	4,896	3,313	677	3,375	4,164	33,135
Public eating places	11,642	2,133	3,226	1,923	456	2,509	3,107	24,998
Institutions	2,516	419	1,670	1,390	221	866	1,057	8,138
	Marketing bill							
Total	18,985	4,746	9,917	17,743	2,677	9,638	11,662	75,368
At-home	8,293	2,554	6,102	15,222	2,037	6,499	7,963	48,668
Away-from-home								
Total	10,692	2,192	3,815	2,523	640	3,139	3,699	26,700
Public eating places	8,756	1,839	2,469	1,394	430	2,317	2,724	19,931
Institutions	1,937	352	1,346	1,128	210	821	974	6,768
	Farm value							
Total	14,279	3,616	6,770	5,209	562	1,572	3,310	35,318
At-home	10,813	3,256	5,689	4,419	525	1,336	2,845	28,883
Away-from-home								
Total	3,466	360	1,081	790	37	236	465	6,435
Public eating places	2,887	294	757	529	25	192	382	5,066
Institutions	579	66	324	261	12	44	82	1,370
1972	Consumer expenditures							
Total	37,756	7,580	17,651	22,785	3,330	11,628	15,870	116,600
At-home	21,896	5,002	12,739	19,441	2,676	8,226	11,632	81,612
Away-from-home								
Total	15,860	2,578	4,912	3,344	654	3,402	4,238	34,988
Public eating places	13,200	2,170	3,289	1,991	445	2,550	3,197	26,842
Institutions	2,660	408	1,623	1,353	209	852	1,041	8,147
	Marketing bill							
Total	20,703	4,469	10,380	17,302	2,722	9,900	12,421	77,897
At-home	9,030	2,268	16,614	14,851	2,108	6,756	8,621	50,248
Away-from-home								
Total	11,673	2,201	3,766	2,451	614	3,144	3,800	27,649
Public eating places	9,703	1,862	2,482	1,390	417	2,341	2,837	21,034
Institutions	1,970	339	1,283	1,060	197	803	963	6,616
	Farm value							
Total	21,211	5,059	10,798	20,713	3,178	10,044	10,962	81,965
At-home	12,866	2,734	6,125	4,590	568	1,470	3,011	31,364
Away-from-home								
Total	4,187	377	1,146	893	40	258	438	7,339
Public eating places	3,496	308	807	601	27	209	360	5,808
Institutions	690	69	339	292	13	48	78	1,531

Table 14.--Consumer expenditures, marketing bill, and farm value for at-home and away-from-home consumption, by commodity group, 1963-74. Continued

Year and market	Meat products	Poultry products	Dairy products	Fruits and vegetables	Grain mill products	Bakery products	Miscellaneous	Total
	Million dollars							
1973	Consumer expenditures							
Total	42,228	10,290	18,900	27,961	4,095	12,707	15,773	131,954
At-home	24,944	6,906	13,834	24,255	3,342	9,100	11,274	93,655
Away-from-home								
Total	17,284	3,384	5,066	3,706	753	3,607	4,499	38,299
Public eating places	14,344	2,848	3,393	2,230	511	2,702	3,384	29,412
Institutions	2,940	536	1,673	1,476	242	904	1,114	8,885
	Marketing bill							
Total	21,211	5,059	10,798	20,713	3,178	10,044	10,962	81,965
At-home	9,074	2,316	7,047	18,131	2,486	6,825	7,070	52,949
Away-from-home								
Total	12,137	2,743	3,751	2,582	692	3,219	3,892	29,016
Public eating places	10,053	2,324	2,463	1,450	469	2,387	2,886	22,033
Institutions	2,084	419	1,288	1,132	223	831	1,006	6,981
	Farm value							
Total	21,017	5,231	8,102	7,248	917	2,663	4,811	49,989
At-home	15,870	4,590	6,787	6,124	856	2,275	4,204	40,706
Away-from-home								
Total	5,147	641	1,315	1,124	61	388	607	9,283
Public eating places	4,290	524	929	780	42	315	498	7,379
Institutions	856	117	385	344	19	73	109	1,904
1974	Consumer expenditures							
Total	42,876	8,645	21,085	31,562	5,189	15,568	22,642	147,567
At-home	26,719	5,972	15,625	27,060	4,359	11,158	15,489	106,382
Away-from-home								
Total	16,157	2,673	5,460	4,502	830	4,410	7,153	41,185
Public eating places	12,963	1,975	3,825	3,223	533	3,670	6,068	32,257
Institutions	3,194	698	1,635	1,278	297	739	865	8,928
	Marketing bill							
Total	23,258	4,348	11,890	23,056	3,931	11,932	13,622	92,037
At-home	11,962	2,235	7,920	19,792	3,174	8,024	7,768	60,875
Away-from-home								
Total	11,296	2,113	3,970	3,264	757	3,908	5,854	31,162
Public eating places	8,906	1,517	2,764	2,358	482	3,263	4,989	24,280
Institutions	2,391	595	1,206	906	275	645	865	6,882
	Farm value							
Total	19,618	4,297	9,195	8,506	1,258	3,636	9,020	55,530
At-home	14,757	3,737	7,705	7,268	1,185	3,134	7,720	45,507
Away-from-home								
Total	4,861	560	1,490	1,238	73	502	1,299	10,023
Public eating places	4,057	458	1,061	865	50	408	1,079	7,977
Institutions	804	102	429	373	23	94	220	2,046

Table 15.--Marketing bill for farm foods and labor and profit components, by marketing agency, selected years, 1929-74.

Year	Total				Processors				Wholesalers and assemblers			
	Marketing bill	Profits before taxes	Labor cost	Other costs	Marketing bill	Profits before taxes	Labor cost	Other costs	Marketing bill	Profits before taxes	Labor cost	Other costs
	Million dollars											
1929	10,463	-	-	-	4,181	-	-	-	1,787	-	-	-
1935	8,622	-	-	-	3,747	-	-	-	1,355	-	-	-
1939	9,930	-	-	-	4,144	-	-	-	1,601	-	-	-
1947	22,643	1,503	10,650	10,490	9,380	963	4,062	4,355	3,493	228	1,313	1,952
1954	32,317	1,473	16,089	14,755	14,024	918	6,081	7,025	4,572	182	2,261	2,129
1958	39,548	1,887	18,016	19,645	17,743	1,138	6,483	10,122	5,211	229	2,536	2,446
1959	42,408	2,065	18,799	21,564	19,059	1,124	6,769	11,066	5,267	259	2,622	2,386
1960	44,565	2,100	19,650	22,815	19,201	1,180	7,053	10,968	5,525	273	2,658	2,594
1961	45,674	2,163	19,892	23,619	19,771	1,286	7,171	11,314	5,518	302	2,636	2,680
1962	47,656	2,198	20,763	24,695	19,870	1,250	7,373	11,247	6,008	329	2,683	2,996
1963	49,895	2,423	21,316	26,156	20,032	1,578	7,415	11,039	6,407	277	2,685	3,445
1964	52,631	2,806	22,100	27,725	21,184	1,656	7,590	11,938	6,466	409	2,770	3,287
1965	54,001	3,007	23,337	27,657	20,473	1,800	7,947	10,726	6,724	419	2,924	3,381
1966	57,156	3,403	24,636	29,117	20,970	2,089	8,327	10,554	7,346	467	3,115	3,764
1967	60,410	3,380	25,896	31,134	23,559	1,910	8,821	12,828	7,612	491	3,360	3,761
1968	63,570	3,605	28,012	31,953	24,537	1,980	9,333	13,224	8,136	599	3,652	3,885
1969	65,183	3,559	30,406	31,218	24,279	1,883	10,119	12,277	8,456	637	3,959	3,860
1970	71,148	3,603	32,336	35,209	25,218	1,966	10,508	12,744	8,930	648	4,216	4,066
1971	75,368	3,897	34,477	36,994	26,671	2,546	10,900	13,725	9,488	784	4,597	4,107
1972	78,897	3,470	37,642	36,393	28,517	2,151	11,651	14,715	10,266	704	4,991	4,571
1973	81,965	4,571	40,454	36,940	27,798	2,777	11,896	13,125	11,744	1,053	5,301	5,390
1974	92,037	5,285	46,659	40,093	30,660	3,090	13,092	14,478	13,880	1,178	5,914	6,788

Table15.--Marketing bill for farm foods and labor and profit components, by marketing agency, selected years, 1929-74.

Year	Retailers				Eating places and institutions				Share of total marketing bill			
	Marketing bill	Profits before taxes	Labor cost	Other costs	Marketing bill	Profits before taxes	Labor costs	Other costs	Processors	Whole-salers	Retailers	Eating places
	Million dollars								Percent			
1929	2,769	-	-	-	1,726	-	-	-	40.0	17.1	26.5	16.4
1935	2,386	-	-	-	1,234	-	-	-	43.4	15.7	27.6	14.3
1939	2,555	-	-	-	1,630	-	-	-	41.8	16.1	25.7	16.4
1947	4,984	244	3,300	1,440	4,786	53	1,975	2,758	41.5	15.4	22.0	21.1
1954	7,118	291	4,877	2,022	6,603	64	2,870	3,669	43.4	14.2	22.0	20.4
1958	8,648	428	4,977	3,243	7,946	92	4,020	3,834	44.8	13.2	21.9	20.1
1959	9,589	452	5,131	4,006	8,493	130	4,257	4,106	44.9	12.4	22.6	20.1
1960	10,951	450	5,413	5,088	8,888	197	4,526	4,165	43.1	12.4	24.6	19.9
1961	11,621	425	5,380	5,816	8,664	150	4,705	3,809	43.3	12.3	25.4	19.0
1962	12,495	469	5,616	6,410	9,283	150	5,091	4,042	41.7	12.6	26.2	19.5
1963	13,458	449	5,909	7,100	9,998	119	5,307	4,572	40.0	13.0	27.0	20.0
1964	15,240	561	6,126	8,553	9,741	179	5,614	3,948	40.2	12.3	29.0	18.5
1965	16,087	539	6,405	9,143	10,717	250	6,061	4,406	37.9	12.4	29.8	19.9
1966	17,054	551	6,644	9,859	11,786	296	6,550	4,940	36.7	12.9	29.8	20.6
1967	16,698	607	6,917	9,174	12,541	373	6,799	5,369	39.0	12.6	27.6	20.8
1968	17,625	663	7,424	9,538	13,272	363	7,603	5,306	38.5	12.8	27.8	20.9
1969	18,201	679	8,139	9,383	14,247	360	8,189	5,698	37.1	13.0	28.0	21.9
1970	20,738	719	8,808	11,211	16,262	270	8,804	7,188	35.5	12.6	29.1	22.8
1971	21,631	690	9,599	11,342	17,578	376	9,381	7,821	35.4	12.6	28.7	23.3
1972	22,390	331	10,565	11,494	17,724	425	10,435	6,864	35.7	13.1	28.6	22.6
1973	23,572	433	11,295	11,844	18,851	494	11,590	6,767	33.9	14.3	28.8	23.0
1974	26,700	472	13,555	12,673	20,797	545	13,681	6,571	33.3	15.1	29.0	22.6